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CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

26 January 1968

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MEMORANDUM

SUBJECT: Communist Reaction to Certain US Actions

- 1. The North Koreans as well as the Soviets and Chinese Communists must realize that tensions are building in the Far East, and probably are aware that the chances of some US retaliation for the <u>Pueblo</u> incident are increasing. All three of the Communist powers appear to have undertaken certain precautionary measures, but we do not know what advice has been proffered to Pyongyang by Moscow or Peking. The North Koreans have apparently acted independently thus far, and probably intend to keep the affair in their own hands insofar as they can.
- 2. Both the Soviets and the Chinese have thus far refrained from involving themselves directly. Peking has maintained a stony silence, in keeping with its general coolness toward the Pyongyang regime. The Soviets have mainly echoed the Korean

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charges, but without trying to convey a sense of impending crisis. In the main, we think that both would prefer an outcome that would amount to a political-propaganda reverse for the US rather than the opening of a second theater of hostilities in Asia. It is possible that both Peking and Moscow, though we cannot say this with high confidence, would believe that hostilities in Korea would adversely affect the Communist effort in Vietnam at this time.

3. Of various possible US retaliatory moves considered below, all would cause high concern to the USSR and China because of the potential risks to themselves, but in general the more limited in duration and scale the US retaliation was the less likely would be the direct involvement of Peking and Moscow. Moreover, it would make some difference, especially to the USSR, if the retaliation was preceded by a warning, which allowed some opportunity to prevail upon the North Koreans to settle the incident. Moscow might not choose to intercede in Pyongyang, but there is a slight hint in the second Thompson-Kuznetsov conversation that the USSR may yet encourage North Korea to seek a peaceful conclusion to the <u>Pueblo</u> episode.

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US COURSES OF ACTIONS

Course I: The US attacks North Korean patrol boats in North Korean waters, seizes or sinks a North Korean merchant ship, conducts an air strike against a land-based facility, e.g., a naval base, harbor installations, or guerrilla training camps.

- 4. Something along this line is probably what the Communists anticipate the US retaliation would be, should it come. They would all hope to avoid it; some move to dampen the crisis and inhibit US retaliation may be taken if they judge that the US is approaching the point of action. This depends almost entirely on the North Koreans and their judgments of the risks and costs of further intransigence. They have already sought to head off any US retaliation by threatening to try and punish the <u>Pueblo</u> crew.
- 5. We see no major difference in the possible reactions whatever the precise target. Probably the Communists would initially regard the action as a one-time shot, mainly to even the score and assuage public opinion in the US, but they could not be sure that other attacks would not follow. There would be, of course, a stream of invective and verbal abuse. But beyond this, neither the Soviets nor the Chinese would be likely to take countermeasures that they believed would increase the chances of

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a confrontation with the US. The Chinese would probably make some demonstrative defense preparations in North China and Manchuria, and the Soviets too would begin marshalling some more naval and air power in the Far East and the Sea of Japan. They would still hope to avoid a direct clash with the US, but the chances of dangerous incidents, particularly involving Soviet naval forces, would increase.

Course II: As an alternative to the above measures, the US could conduct an air strike against different types of targets: industrial installations, power plants, rail yards, or POL sites.

- 6. All of the Communists would view this turn of events as more ominous. They would regard this type of action as looking less like a single retaliation than as the beginning of at least an air campaign against North Korea. They might be concerned that the US was setting in motion a train of events which could lead to a reopening of the Korean War.
- 7. The net effect of such a retaliatory strike would be to reinforce both Soviet and Chinese concern to avoid a situation that could expand into major hostilities. They would both make further military preparations and demonstrations. The Soviets

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despite a tough public posture, would probably privately urge the Koreans to limit their own reactions and move to end the crisis. While the Chinese would seek for their own interest in relation to Vietnam to maintain tensions in Korea at a fairly high level, they would be increasingly concerned whether the US intended in fact to reopen the Korean War and, ultimately, to attack China. Thus, the Chinese would not retaliate.

8. However, the North Koreans might feel compelled to react, either against the South Koreans or Americans along the DMZ or by attacking airfields in South Korea. In these circumstances, it might become increasingly difficult for the USSR and China to limit their own involvement. Both regard the area as one involving important security interests, and both have mutual assistance treaties with North Korea.

Course III: The US retaliate by blockading North Korean harbors with mines.

9. North Korea has six major ports and 18 lesser ones, mostly on the Sea of Japan. Almost all North Korea's seaborne trade is carried in foreign ships (160 Free World and 132 Communist calls in 1967). Among Communist countries having ships in the

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North Korean trade, the USSR has by far the largest role. Thus a complete blockade of North Korea's harbors would pose a direct challenge to the USSR.

- 10. Presumably, there would be no effective way of sweeping the mines, without assembling a fairly large task force. It is unlikely that the Soviets would want to risk clashes with the US in the Sea of Japan or a major confrontation. Their first resort would probably be at the UN, where they would seek a condemnation of the US and the removal of the mines. They would recognize that an obvious bargain would be the return of the Pueblo and its crew for a lifting of the blockade. And they would probably sound out the Koreans on such a deal. The economic pressures on the North Koreans to remove the blockade, however, would not be very great since most of their imports come overland.
- 11. A common concern of all the Communists would be that failure to take effective action against the blockade might encourage the US to take similar action against Haiphong in North Vietnam. The Chinese, who have virtually no large shipping to Korea, would not feel compelled or obligated to react with force, and they might take some pleasure in taunting the USSR

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to do so. If all political efforts failed, however, the USSR would probably decide to live with the blockade. Nevertheless, harrassing actions against US naval forces would continue while a political solution was sought.

- dangerous problems. There are Korean ports near the border with China and the USSR. To mine these areas could involve Soviet and Chinese territorial waters. If so, then the risks of a military reaction by both the USSR and China would be greatly increased, especially since maintenance of the minefields would require continued US operations in the area. In short, the attempt to enforce a complete blockade could prove to be highly risky, without much promise of putting real pressure on North Korea.
- 13. The threat of US retaliation may bring about an early release of the <u>Pueblo</u> and its crew. Once launched upon the courses described in this paper, however, the US would be unlikely to achieve this result. The risks of an enlargement of the crisis and actual hostilities would be greatly increased.

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